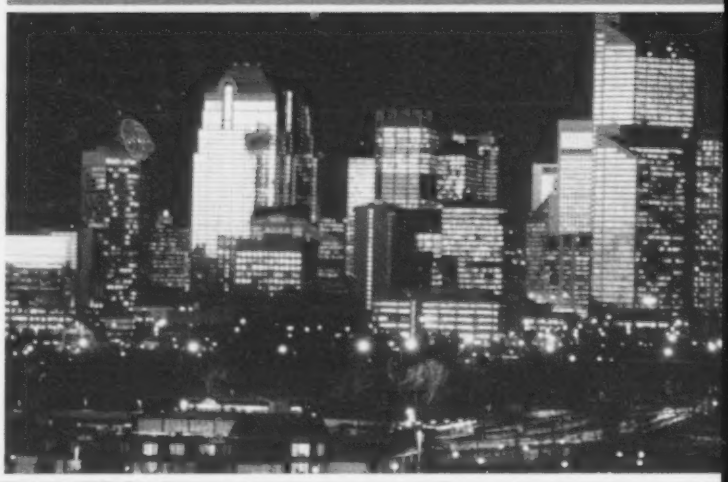

March 2012

Regional Economic Indicators

Capital Region

Government of Alberta

CAPITAL REGION

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The Region at a Glance

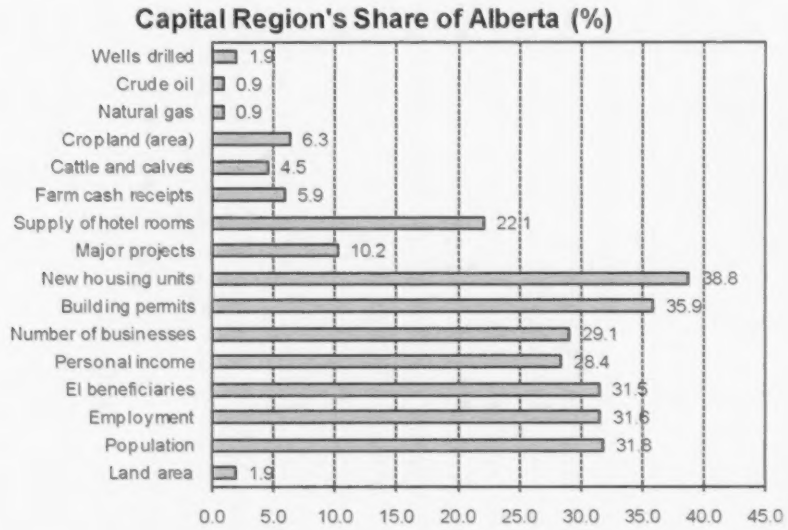
The Capital region, with Edmonton as its centre, covers an area of 11,993 square kilometers, similar in size to the state of Connecticut. The region accounts for 1.9% of Alberta's land mass and for 31.8% of Alberta's population.

According to Statistics Canada's latest estimates, the region's population totaled 1.18 million in 2010, an increase of 9.1% from 2006. According to the Labour Force Survey about 640,000 people were employed in the region in 2010, and the unemployment rate was 6.7%, unchanged from 2009.

The region's largest industry on an employment basis is health care and social assistance at 12% of total employment in 2010, followed by construction and retail trade (10% each). Health care and social assistance was also the fastest growing industry between 2006 and 2010 and increased its employment level by more than 17,000, followed by construction with a 13,000 increase.

The Capital region is Alberta's number two tourism destination, accounting for 22% of Alberta's total number of hotel rooms. Many other large industries, such as manufacturing, construction, and professional, scientific and technical services (for instance engineering) are heavily dependent on Alberta's large oil and gas sector. The Capital region has Alberta's largest manufacturing sector, and accounts for 40% of Alberta's manufacturing shipments. The region's top manufacturing sectors are chemicals, metal fabrication and machinery.

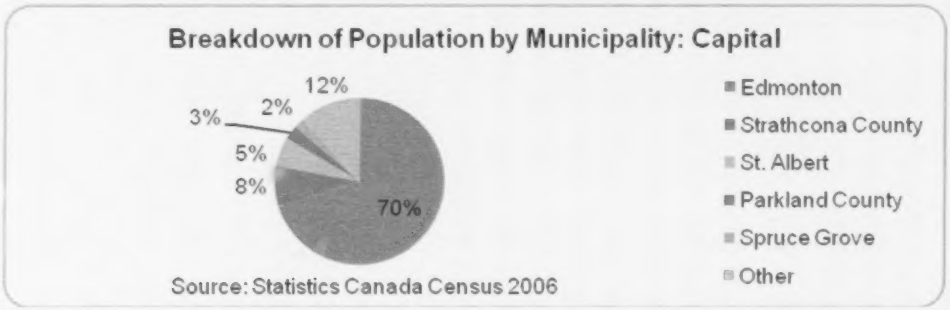
According to personal income taxfiler data, the average individual income was $39,600 in 2007, a 35% increase from 2003. Average income for couples was $117,300 in 2007, a 39% rise from 2003.



Although very few current indicators are available on a regional basis, it is clear that the impacts of the global economic crisis have also subsided in this region; for instance the number of Employment Insurance beneficiaries receiving regular benefits in the Capital region fell by 4% between 2009 and 2010. Moreover, the number declined sharply by 31% between June 2010 and June 2011.

Major Municipalities

The largest municipality in the Capital Region, according to the 2006 Statistics Canada Census, was the City of Edmonton with a population of 730,372[1]. More recently, the municipal census of 2009 showed 782,439 residents in Edmonton, a 9.8% increase from the 2005 municipal census number[2]. According to the 2006 federal census, the Town of Stony Plain was the municipality in the Capital Region with the highest population growth between 2001 and 2006, with an increase of 28.5% or 2,739 residents over that period. Municipal census data show a 34.5% for Stony Plain between 2006 and 2010. High growth of 40.6% between 2006 and 2010 was also seen in the Town of Beaumont, and of 33.9% between 2005 and 2010 in the City of Spruce Grove.



* Top 10 cities, towns, villages and municipal districts in region, based on population in latest census year

Economic Indicators: Capital Region

Major Municipalities*	Status	2006 Population	5 Year % Change	2001 Population	1996 Population	10 Year % Change
Edmonton	City	730,372	9.6%	666,104	616,306	18.5%
Strathcona County	Specialized Municipality	82,511	14.6%	71,986	64,176	28.6%
St. Albert	City	57,719	8.7%	53,081	46,888	23.1%
Parkland County	Municipal District	29,265	7.5%	27,217	25,222	16.0%
Spruce Grove	City	19,496	22.0%	15,983	14,271	36.6%
Sturgeon County	Municipal District	18,621	3.1%	18,067	15,945	16.8%
Leduc	City	16,967	12.9%	15,032	14,305	18.6%
Fort Saskatchewan	City	14,957	14.0%	13,121	12,408	20.5%
Leduc County	Municipal District	12,730	1.6%	12,528	12,292	3.6%
Stony Plain	Town	12,363	28.5%	9,624	8,274	49.4%

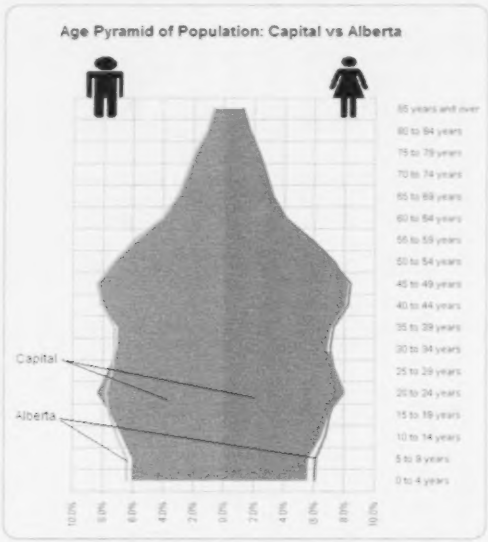
Source: Statistics Canada, Census 1996, 2001, 2006

[1] Note: the Census under-estimates the overall population totals for any region or municipality as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household.

[2] Numerical differences between the federal and municipal censuses may be ascribed to slight variations in the definition of "usual residence," as well as how "shadow populations" are treated. While municipalities define the "shadow population" as "temporary residents of a municipality who are employed by an industrial or commercial establishment in the municipality for a minimum of 30 days" and include them in their official population numbers if they consist at least 10% of the municipality's population or a minimum of 1,000 individuals, the shadow population of transient workers is not accounted for in population counts conducted by Statistics Canada.

Demographics

According to the most recent Statistics Canada Census, the population of the Capital Region was 1,041,946 in 2006 or 31.7% of Alberta's total population. This was a 10.2% increase from the Census estimate of 2001 and a 19.8% increase from the 1996 Census estimate. The Census indicates that, on average, the Capital region's population is similar to the provincial average. Although, the slightly smaller cohort in the current prime working age group may be faced with some challenges, as they are increasingly required to sustain the larger cohort of the retiring age group through higher productivity levels.



Economic Indicators: Capital Region			
	2006	**2001**	**1996**
Census Population[3]	1,041,946	945,121	869,692
% of Provincial Total	31.7%	31.8%	32.3%
Population Components	**2006**	**2001**	**1996**
Age Group: 0 - 14 (%)	18.1	19.8	21.9
Age Group: 14 – 24 (%)	15.5	15.2	N/A
Age Group: 25 – 44 (%)	29.8	31.8	N/A
Age Group: 45 – 64 (%)	25.9	22.9	N/A
Age Group: 65+ (%)	11.2	10.6	9.8
Dependency Ratio [4]	41.3	43.8	46.5
Old Age Dependency Ratio [5]	15.8	15.3	14.4
Source: Statistics Canada, Census 1996, 2001, 2006			

[3] See below paragraph about the under-coverage problems of Census population estimates

[4] Dependency Ratio: The percentage of the population below the age of 15(Child) and over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population of children and elderly that are dependent on the adult population for economic needs.

[5] Age Dependency Ration: The percentage of the population over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population that is dependent on the adult population for economic needs.

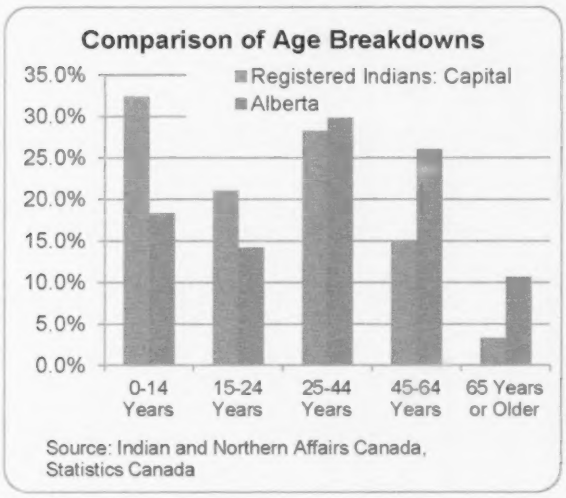
Although the Census provides the most detailed and accurate information at a single point in time on the demographic, social and economic conditions of the population, the Census under-estimates the overall population totals for any region as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household. Therefore, the below presented post-censal estimates should be used as the official population estimates for the region.

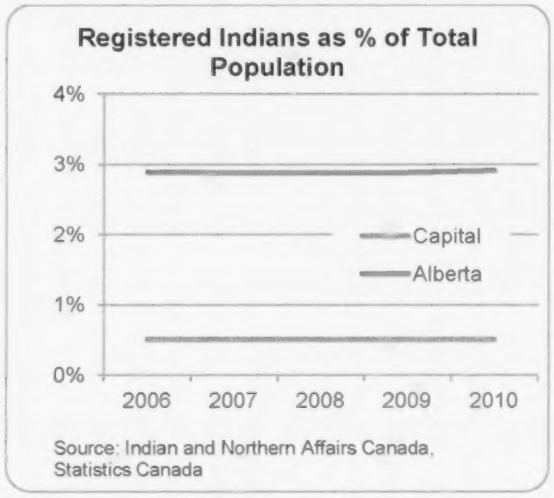
Population Estimates – Capital Region					
	2010	**2009**	**2008**	**2007**	**2006**
Total Population (Thousands)	1,183.0	1,164.4	1,137.0	1,112.3	1,084.3
Share of Provincial Total (%)	31.8%	31.7%	31.7%	31.7%	31.7%
Source: Statistics Canada – estimates as of July 1 of each year					

According to the post-censal estimates, the region's population increased by 98,700 or 9.1% between 2006 and 2010, compared with 8.8% growth at the provincial level. The region's share of Alberta's population grew to 31.8% in 2010.

Aboriginals

In 2010, bands in the Capital Region had a population of 5,972 Registered Indians, 65.2% of whom lived on reserve and crown land. [1] This represents a 12.3% increase in registered population over five years. Registered Indians comprised 0.5% of the Capital Region's total population in 2010, compared with 2.9% for the province as a whole. Registered Indians in the Capital Region are significantly younger than the average Albertan; 32% are under the age of 15 (versus 18% of the provincial population).



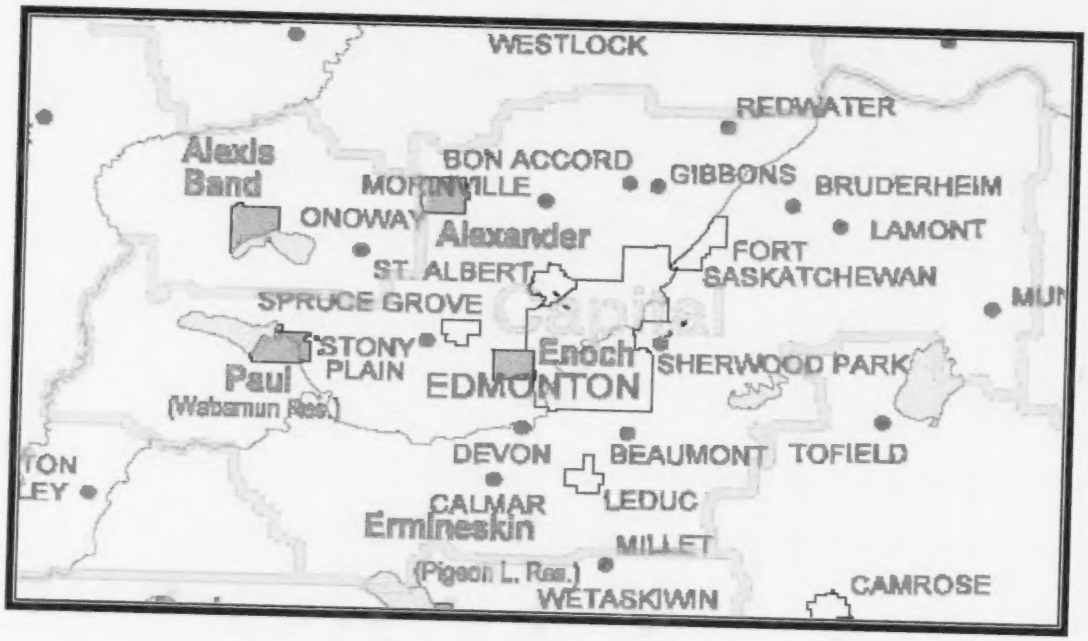


Registered Indian Population, by Type of Residence and Group: Capital Region

Group	Residence Type	2010	2009	2008	20007	2006	2005	1-Year Change	5-Year Change
Registered Indian	Total	5,972	5,863	5,737	5,554	5,460	5,318	1.9%	12.3%
	Reserve & Crown Land	3,896	3,851	3,798	3,712	3,679	3,621	1.2%	7.6%
	Off Reserve	2,076	2,012	1,939	1,842	1,781	1,697	3.2%	22.3%
Alexander	Total	1,874	1,848	1,814	1,761	1,740	1,684	1.4%	11.3%
	Reserve & Crown Land	1,007	1,000	992	965	960	942	0.7%	6.9%
	Off Reserve	867	848	822	796	780	742	2.2%	16.8%
Enoch	Total	2,211	2,165	2,101	2,063	2,007	1,967	2.1%	12.4%
	Reserve & Crown Land	1,579	1,557	1,528	1,525	1,502	1,493	1.4%	5.8%
	Off Reserve	632	608	573	538	505	474	3.9%	33.3%
Paul	Total	1,887	1,850	1,822	1,730	1,713	1,667	2.0%	13.2%
	Reserve & Crown Land	1,310	1,294	1,278	1,222	1,217	1,186	1.2%	10.5%
	Off Reserve	577	556	544	508	496	481	3.8%	20.0%

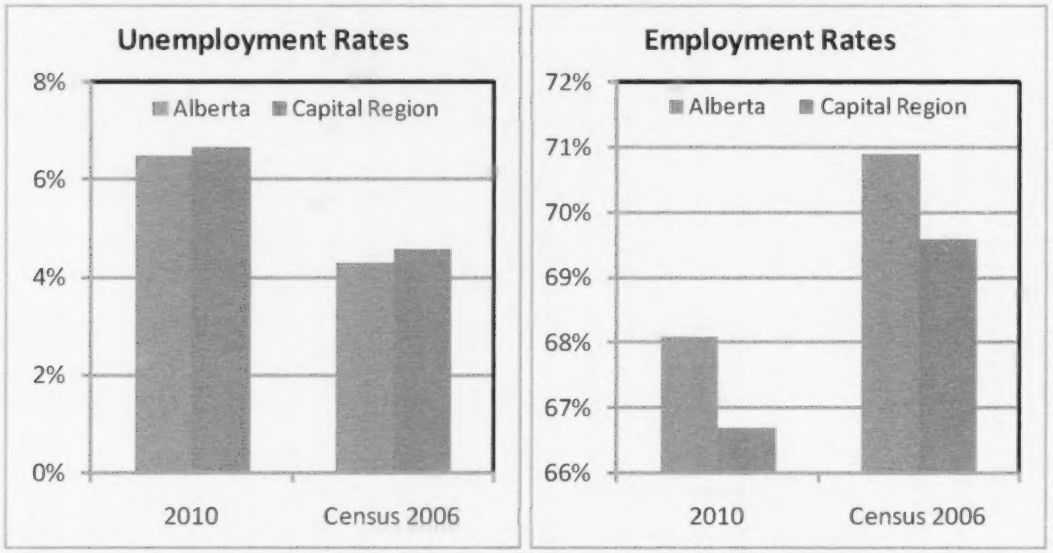
Source: Indian and Northern Affairs Canada, Registered Indian Population

[1] **Registered (Status) or Treaty Indians:** According to Statistics Canada Registered Indians (also referred to as "status Indians") refer to those persons registered under the *Indian Act* while Treaty Indian refer to people who are registered under the *Indian Act* and who belong to an Indian Band or First Nation that signed a treaty with the Crown. Registered/Treaty Indians may be classified as on or off reserve indicating their place of residence.


WESTLOCK
REDWATER
Alexis
Band
BON ACCORD
GIBBONS
BRUDERHEIM
MORINVILLE
ONOWAY
Alexander
LAMONT
FORT
SASKATCHEWAN
ST. ALBERT
SPRUCE GROVE
STONY
PLAIN
Enoch
SHERWOOD PARK
Paul
(Wabamun Res.)
EDMONTON
DEVON
BEAUMONT
TOFIELD
CALMAR
LEDUC
Ermineskin
MILLET
(Pigeon L. Res.)
WETASKIWIN
CAMROSE

Labour Force Characteristics

According to Statistics Canada's Labour Force Survey (LFS), the Capital region's employment rate[7] for the working age population of 15 years and older was 66.7% in 2010 and the participation rate[8] was 71.5%. By comparison, Alberta's employment and participation rates were slightly higher at 68.1% and 72.9%, respectively, in 2010. The region's unemployment rate was 6.7% in 2010, the same as in 2009. This rate is slightly higher than the provincial average of 6.5% for 2010.



Between 2009 and 2010, the number of people employed in Alberta declined by 0.4% or by 8,600, after a 1.4% decline in 2009, due to the global recession. In 2010, employment in the Capital region declined by an estimated 2,000. In 2010, the Capital region made up 32% of Alberta's working age population (15+ years).

Between 2006 and 2010, the region's working age population (15+) grew by 93,000, while employment rose 58,000.

Between census years 2001 and 2006, the number of people employed in Alberta grew by 14.7% or by 239,800. Over the same period, employment in the Capital region grew by an estimated 80,200 or 15.8%. As the below table shows, employment increased strongly in the region between the 2006 census and 2008, but declined slightly in 2009 and 2010.

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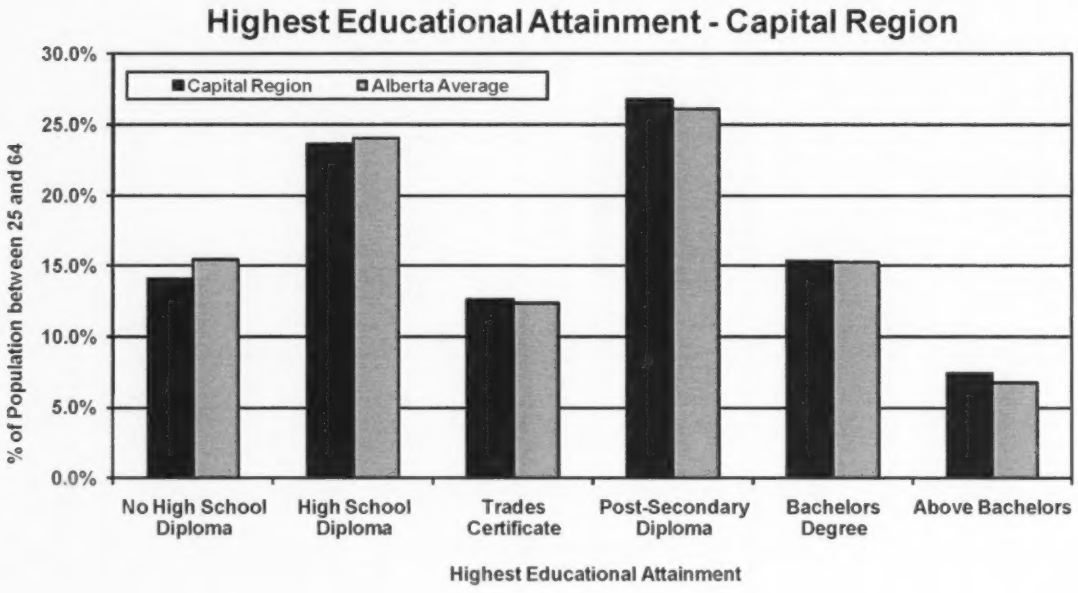
[7] The employment rate measures the proportion of the adult population that is employed. Employment Rate = (Employed / Population 15+)*100. High labour utilization traditionally accompanies strong economic activity.

[8] The participation rate measures the proportion of the adult population that is in the labour force. Participation Rate = (Labour Force / Population 15+)*100. High labour participation is an effective indicator of the level of engagement among the working age population and traditionally accompanies strong economic activity.

Labour Force Characteristics – Capital Region					
	2006	2007	2008	2009	2010
Population: 15 years and older (Thousands)	837.8	890.4	917.1	941.1	958.0
Labour Force: 15 years and older (Thousands)	604.3	641.0	670.1	687.0	685.1
Employment: 15 years and older (Thousands)	580.9	616.3	645.2	641.0	639.0
Unemployment: 15 years and older (Thousands)	23.4	24.7	24.9	46.1	46.1
Participation Rate: 15 years and older (%)	69.9	72.0	73.1	73.0	71.5
Unemployment Rate: 15 years and older (%)	3.9	3.9	3.7	6.7	6.7
Employment Rate: 15 years and older (%)	67.1	69.2	70.4	68.1	66.7
Source: Statistics Canada, Labour Force Survey					

In 2006, the Capital region made up 32.1% of Alberta's working age population (15+ years), and the region's increase in employment between 2001 and 2006 accounted for 31.9% of all new jobs created in Alberta over that period.

According to the 2006 census, the level of educational attainment for this region is comparable to that for Alberta. For the working age population of between 25 and 64 years, 49.6% had a post-secondary degree or diploma, higher than the 48.1% for all of Alberta. The region also has a slightly higher share holding a trades certificate: 12.7% in the region vs. 12.4% in Alberta. 14.1% of the region's working age population did not finish high school, lower than the Alberta average of 15.4%.

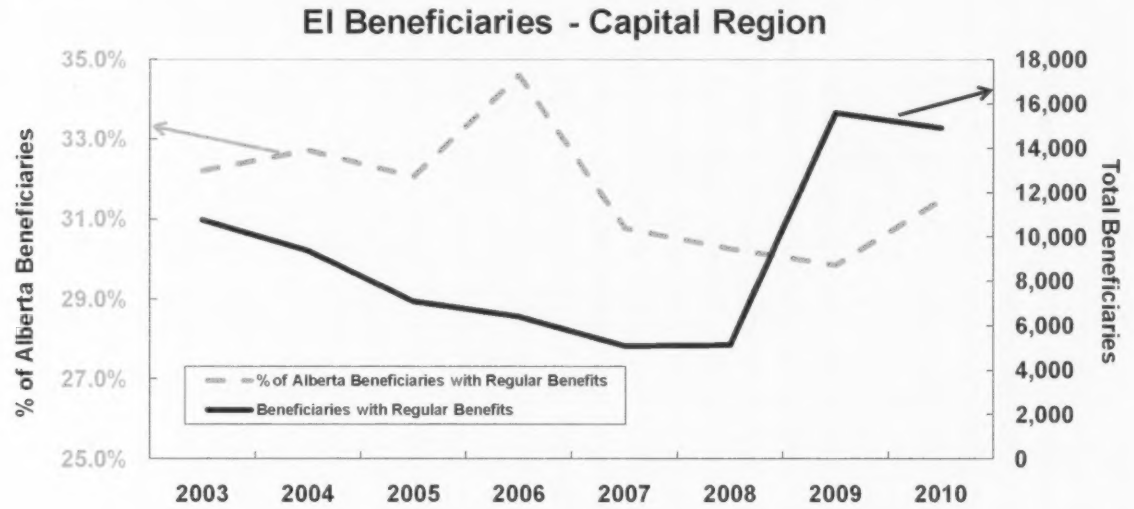


Employment Insurance Beneficiaries

In 2010, 14,900 people received regular Employment Insurance (EI) benefits[9] in the Capital region, a 4% decrease from the 2009 number of 15,600[10]. Over the same period, the number of EI recipients fell by 9% in Alberta. As a result, the region's share of Alberta EI recipients rose to 31.5%. Between February 2010 and February 2011, the number of regular beneficiaries fell by an estimated 16% in the region.

The total number of income beneficiaries[11] with both regular and special benefits, such as for sickness or parental leave, fell by 6% between 2009 and 2010.

Note: although this measure provides a useful gauge of unemployment it is an imperfect measure, as it excludes self-employed workers and individuals who were unemployed for more than 12 months. At the Canadian level, the EI beneficiaries-to-unemployed ratio was fairly stable over time prior to the recession at between 40% and 45%. In Alberta, the ratio fell gradually during the economic boom years from more than 40% in 1996 to less than 25% in 2007 and the first nine months of 2008. The ratio climbed to more than 40% in 2009 and was 36% in 2010.



EI Recipients: Capital								
	2005	2006	2007	2008	2009	2010	1-Year Change	5-Year Change
Total Income Beneficiaries	16,150	15,920	15,290	15,880	27,800	26,240	-6%	62%
# of EI Beneficiaries with Regular Benefits	7,110	6,400	5,060	5,130	15,600	14,900	-4%	110%
% of Alberta Beneficiaries with Reg. Benefits	32.1%	34.6%	30.8%	30.3%	29.9%	31.5%	1.6%	-0.6%
Source: Statistics Canada, Human Resources and Skills Development Canada								

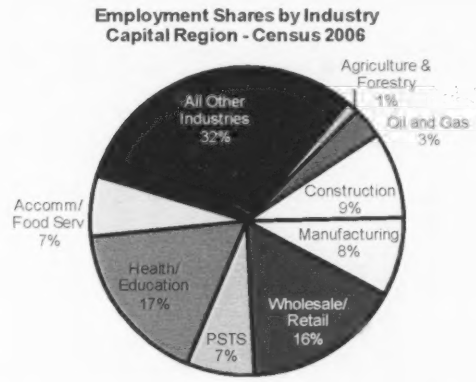
[9] The number of beneficiaries receiving regular benefits excludes claimants receiving training, job creation and self-employment benefits as well as other employment and support measures benefits.
[10] Canada's Economic Action Plan provides beneficiaries with five extra weeks of regular EI benefits in 2009 and 2010.
[11] The number of beneficiaries receiving total income benefits includes both the beneficiaries receiving regular benefits and those receiving special benefits, such as for training, job creation, sickness, parental.

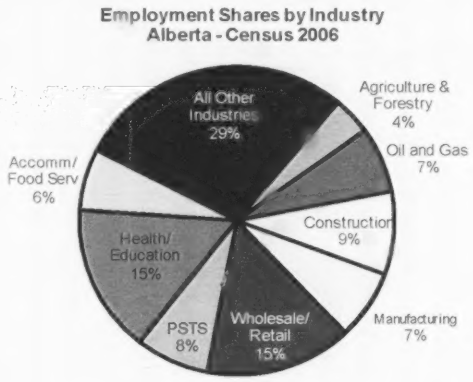
Employment by Industry

In 2006, according to Statistics Canada's census data, the services-producing sector in the Capital region accounted for about 73% of the total number employed. By comparison, the service sector also accounted for 73% of Alberta's employment.

The Retail Trade industry had the largest number of individuals employed. This industry accounted for 11% of the region's employment, identical to the industry's 11% share at the provincial level. The region's next largest industries in 2006 were the Healthcare and Social Assistance sector accounting for about 10% of regional employment and the Construction sector for 9%.

Between 2001 and 2006, the Construction industry had the largest employment gain (up about 15,500). The Construction industry's gain was broad based, with residential construction recording the largest increase, as the number of housing starts doubled over that period. Large gains of between 8,000 and 9,000 jobs each were also recorded in the Retail Trade, Healthcare and Social Assistance, and Mining and Oil and Gas sectors. Employment declined in the Information and Cultural sector by just over 1,300.





PSTS = professional, scientific and technical services

According to the more up-to-date LFS estimates, employment in the Capital region's goods-producing sector increased by almost 6,000 jobs in 2010 after a loss of about 13,000 jobs in the previous year. The 2010 gain was the result of increased employment in the Construction sector. Employment declined for a third consecutive year in the Manufacturing sector. Service sector employment declined by nearly 8,000 jobs in 2010, with the largest losses recorded in the Retail Trade, Information, Culture and Recreation, and Public Administration industries. The Healthcare and Social Assistance industry recorded solid job gains in 2010.

Employment by Industry – Capital Region					
	2006	**2007**	**2008**	**2009**	**2010**
All Industries (Thousands) - Total	**580.9**	**616.3**	**645.2**	**641.0**	**639.0**
Goods-Producing Sector	**128.7**	**146.8**	**147.4**	**134.7**	**140.6**
Forestry, Fishing, Mining, Oil & Gas	15.7	18.6	17.8	19.3	18.9
Construction	57.7	66.3	68.3	59.7	70.7
Manufacturing	47.0	53.4	51.7	43.7	40.2
Services-Producing Sector	**452.2**	**469.5**	**497.8**	**506.3**	**498.4**
Wholesale Trade	27.7	27.4	38.3	31.2	29.4
Retail Trade	69.5	66.6	77.7	79.3	70.8
Transportation & Warehousing	32.9	32.5	34.8	31.7	34.9
Finance, Insurance, Real Estate & Leasing	32.4	29.8	36.3	36.7	33.0
Professional, Scientific & Technical Services	38.6	44.0	51.3	46.3	43.9
Educational Services	43.7	49.0	50.1	49.1	47.2
Health Care & Social Assistance	61.2	64.4	64.0	68.7	78.6
Information, Culture & Recreation	23.4	26.8	26.6	29.2	23.0
Accommodation & Food Services	31.2	37.3	32.1	38.8	40.4
Other Services	32.5	33.1	30.6	30.2	34.6
Public Administration	39.7	34.1	36.0	43.2	37.4

Source: Statistics Canada, Labour Force Survey

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller industries, due to sample size problems.

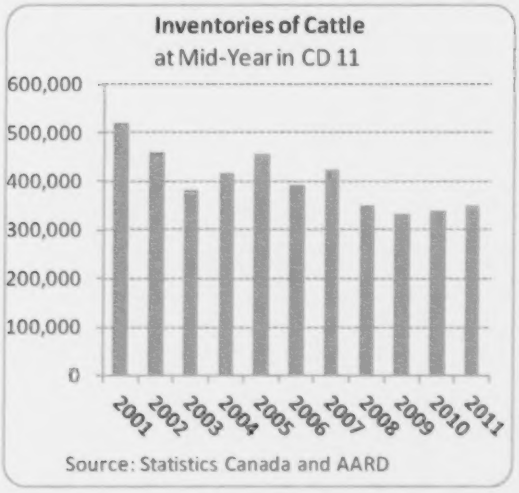
Agriculture

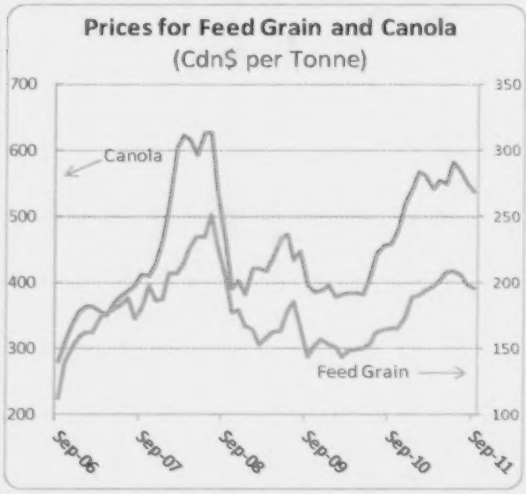
The Capital region had total farm cash receipts of $582 million in Census year 2006, accounting for 5.9% of Alberta's farm receipts. In 2006, there were nearly 5,200 farms in the region (or 10.5% of Alberta's total number of farms) with a total acreage of 2.4 million acres. Average farm size was 465 acres, less than the Alberta average of 1,055 acres.

The region accounted for 4.9% of the total value of on-farm livestock and poultry with a total market value of $245 million in 2006. The total number of cattle and calves was 287,000, most of them beef cattle. The Capital region's share of Alberta's total number of cattle and calves was 4.5%, of hogs 2.3%, and of hens and chickens 17.5%.

Cropland acreage totaled about 1.5 million acres. The region is the province's second largest producer of potatoes, fruits and berries. Its major crops also include canola, accounting for 9.2% of Alberta's canola acreage, spring wheat, barley, alfalfa, oats and hay.

Very few current agricultural indicators are available for these special geographies. However, livestock estimates are available for Census Division 11 (CD11), which encompasses most of the Capital region[1]. Between mid-year 2006 and mid-year 2011, the number of cattle and calves in CD 11 declined by 11%. During the past 10 years, it fell by one-third.





In crop year 2009-10 (year ending August 31, 2010), grain and oilseed deliveries at elevators in the Capital region totaled 1.3 million tonnes[2], down 23% from 2008-09. Wheat (excluding durum) accounted for 49% of the total tonnage, followed by canola (42%) and barley (7%).

Prices for canola and feed grain had more than doubled between early 2006 and the summer of 2008, but fell sharply by about 40% through early 2009. Crop prices rebounded strongly between spring 2010 and summer 2011, but recent global uncertainties have led to modest price declines during the past few months. Prices for red spring wheat fell sharply in August and September, but recovered some of their losses in October 2011. The recent weakening of the Canadian dollar against the US dollar will benefit Alberta crop and cattle growers.

In 2011, Alberta crop production was significantly higher than in the previous year, with record harvests of canola (4.8 million tonnes) and spring wheat (7.6 million tonnes). Crop conditions in the Capital region were also better than normal that year.

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[1] A map of Agricultural Census Divisions can be found in: http://www.statcan.gc.ca/ca-ra2006/m/car-rar-eng.pdf

[2] Deliveries at grain elevators are not representative of production as not all grain is shipped to local elevators

Energy

Oil and gas production in the Capital region has fallen over the last five years, with gas production declining by 69.7% between 2004 and 2009, and oil production by 28.5% over the same period. Between 2008 and 2009, gas production declined by 20.9% while oil production fell by 6.9%.

Capital's share of overall Alberta gas production was 1.0% in 2009, making it the 12th largest producer out of 14 regions. Average annual gas prices dropped by 53.3% in 2009 to $3.65 per gigajoule. So far in 2010, gas prices have averaged $3.73, a slight increase from 2009, and low by historical standards.

The Capital region is the 10th largest conventional oil producing region in Alberta and the 11th largest overall oil producer (combining conventional and oil-sands). The region's share of Alberta's conventional oil production was 3.4% in 2009, but its share of total crude oil output was only 0.8%. Oil prices dropped by 38.0% to US$61.80 per barrel in 2009. However, so far in 2010 oil prices have averaged $78.96, an increase of 27.8%.

Over the last five years, the number of spudded wells[14] in the region has dropped 68.4%. Between 2008 and 2009, the spud count dropped by 61.6% to 73 wells, accounting for 1.0% of the Alberta total. Part of the decline can be attributed to a weak global economy and soft energy prices. However, in the first 10 months of 2010, the number of wells drilled in Alberta rose 44% from the same period of 2009, largely because of a more than doubling in the number of conventional oil wells. The Petroleum Services Association of Canada is forecasting an increase of 5% in 2011 over 2010 for Alberta drilling. These drilling estimates and forecasts should provide some optimism for oil producers in Capital.

Economic Indicators: Capital Region

Oil and Gas Statistics

	2009	2008	2004	% Change 1 Year	% Change 5 Years
Crude oil production (millions of cubic metres)	0.9	1.0	1.3	-6.92%	-28.47%
Natural gas production (billions of cubic metres)	1.4	1.8	4.6	-20.91%	-69.73%
Number of wells spudded	73	190	231	-61.58%	-68.40%

Source: Alberta Energy

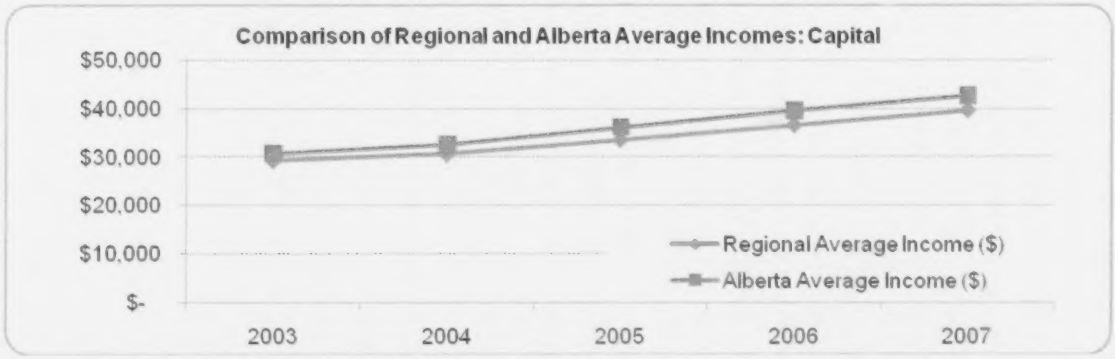
The region's total gas potential represents 2.1% of Alberta's overall reserves, and oil potential is 8.8% of Alberta's conventional reserves.

[14] A spud is the very beginning of a drilling operation for a well

Taxfiler Income

In 2007, the average individual income in the Capital Region was $39,625, an 8.2% increase from 2006, but 6.9% less than the provincial average of $42,570 in 2007. In the same year, average couple income[19] in the Capital Region was $117,255, a 10.4% increase from the year before, but 6.6% less than the provincial average of $125,485 in 2007.

The percentage of taxfilers that reported an individual gross income over $100,000 was 6.8%, while 42.3% of taxfilers identified as couples reported an income of over $100,000.



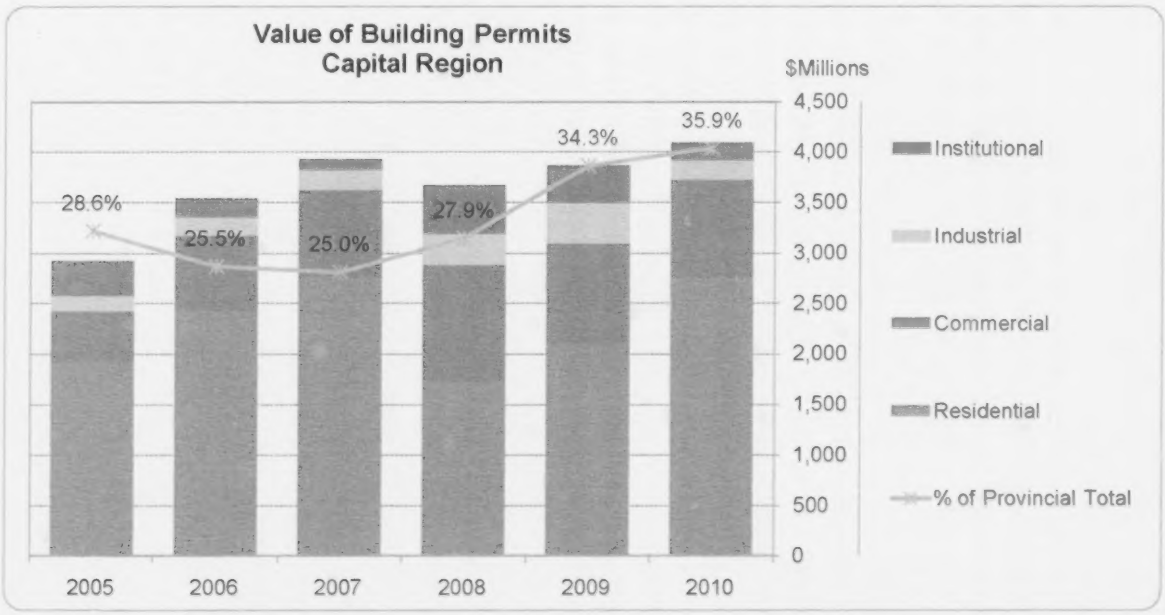
Economic Indicators: Capital Region						
	Single Taxfilers			Couple Taxfilers		
	2007	2006	2003	2007	2006	2003
Average Income ($)						
Capital	$39,625	$36,610	$29,270	$117,255	$106,225	$84,095
% Change 1 Year	8.2%			10.4%		
% Change 4 Year	35.4%			39.4%		
Alberta	$42,570	$39,560	$30,770	$125,485	$115,965	$87,775
% Change 1 Year	7.6%			8.2%		
% Change 4 Year	38.3%			43.0%		
Income Range						
0 or Negative	19.9%	20.4%	20.8%	0.2%	0.2%	0.2%
$1-$20,000	24.4%	25.9%	30.5%	5.1%	5.6%	7.0%
$20,000-$40,000	19.2%	19.8%	21.2%	11.1%	12.7%	16.6%
$40,000-$60,000	15.1%	14.6%	13.6%	12.6%	14.4%	18.3%
$60,000-$80,000	9.3%	8.9%	7.5%	14.2%	15.7%	18.3%
$80,000-$100,000	5.3%	4.7%	3.2%	14.5%	14.6%	14.4%
Over $100,000	6.8%	5.7%	3.2%	42.3%	36.9%	25.2%
Source: Alberta Finance and Enterprise						

[19] Couples are defined as married or common-law

Investment

In 2010, the total building permit value for the Capital region stood at a six-year high of $4.1 billion, making up 35.9% of the provincial total. In 2010, the total building permit value for the Capital region increased by 5.7% from 2009, and was 41% higher than the 2005 level. The increase between 2009 and 2010 can be attributed to the residential permit value rising 31% to $2.8 billion. Over the same period, commercial permits fell by 1% to $981 million, while industrial and institutional permits fell by more than one-half. Between 2005 and 2010, residential permits decreased by 44%.

The total number of dwelling units for which building permits were taken out in the Capital region in 2010 was 10,183. This was a 30% increase from the previous year and a 31% decline from 2005 levels. Over that five-year period, the number of multiple family dwelling units fell by 33% to 4,293 units in 2010. Over the same period, the number of single dwellings declined by 29% to 5,890 units.



In 2010, the number of urban housing starts[20] totaled 9,959 in the Edmonton Census Metropolitan Area[21], an increase of 58% from 2009's 6,317 starts. This increase was the result of a more than doubling in the number of multiple-family units; single-detached starts rose 20% between 2009 and 2010. Even with this large jump in 2010, the 2010 total number of starts was still lower than the totals of more than 10,000 per year that were achieved over the period 1997 to 2008.

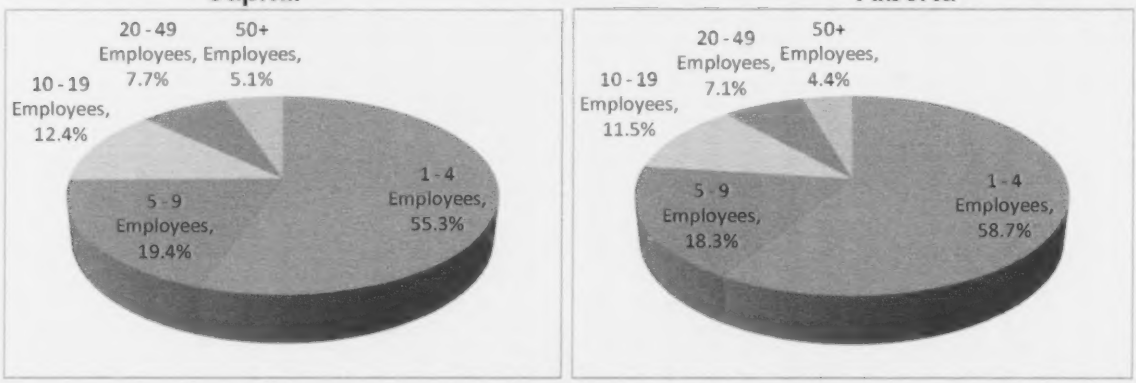
[20] Housing start information is gathered by Canada Mortgage and Housing Commission field offices; building permit estimates are gathered by Statistics Canada from municipalities. A building permit generally precedes the actual start.
[21] The Edmonton CMA encompasses most of the Capital region, including Edmonton, Strathcona County, St. Albert, Spruce Grove, Leduc, Stony Plain, Fort Saskatchewan.

Economic Indicators: Capital Region								
Building Permits: Value ($ Millions)								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**% Change 1 Year**	**% Change 5 Years**
Total	4,094.8	3,872.6	3,672.8	3,931.9	3,542.4	2,913.6	5.7%	40.5%
% of Provincial Total	35.9%	34.3%	27.9%	25.0%	25.5%	28.6%	1.6%	7.3%
Commercial	981.1	990.5	1,153.9	873.6	745.5	512.3	-1.0%	91.5%
Industrial	183.6	403.6	312.9	190.2	171.2	153.2	-54.5%	19.8%
Institutional	178.3	375.8	480.2	115.7	188.7	332.9	-52.6%	-46.4%
Residential	2,751.8	2,102.7	1,725.9	2,752.4	2,437.0	1,915.2	30.9%	43.7%
Building Permits: Number of Dwelling Units								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**		
Total	10,183	7,818	7,353	15,045	14,557	14,736	30.3%	-30.9%
% of Provincial Total	38.8%	35.2%	26.0%	32.0%	28.8%	34.1%	3.6%	4.7%
Single Dwellings	5,890	4,490	2,806	6,993	9,325	8,334	31.2%	-29.3%
Multiple Use Dwellings	4,293	3,328	4,547	8,052	5,232	6,402	29.0%	-32.9%
Source: Statistics Canada; Compilation by Alberta Finance and Enterprise								

Establishments with Employees

In 2010, the Capital Region had 42,640 establishments with employees, making up 29.1% of all establishments with employees in Alberta. Of these establishments 40,453 or 94.9% were small companies with between 1 and 49 employees. Aside from the Wood Buffalo region, this region has the smallest share of small businesses. Micro-businesses with fewer than five employees have a 55.3% share of the region's total number of companies and large companies with 50 or more employees have a 5.0% share, compared to the 4.4% Alberta average.

Number of Establishments by Employee Size in 2010: Capital Region and Alberta


Capital
20 - 49 Employees, 7.7%
50+ Employees, 5.1%
10 - 19 Employees, 12.4%
1 - 4 Employees, 55.3%
5 - 9 Employees, 19.4%
Alberta
20 - 49 Employees, 7.1%
50+ Employees, 4.4%
10 - 19 Employees, 11.5%
1 - 4 Employees, 58.7%
5 - 9 Employees, 18.3%

Between 2005 and 2010, there was an increase of 2.1% (or 896) in the total number of businesses in the Capital Region and a 3.3% increase (or 1,307 companies) in the number of small businesses. By comparison, at the provincial level, the total number of businesses increased by 2.3% and small companies experienced an increase of 3.4% over the same period.

In the Capital Region, 78.6% of companies with employees were involved in Service Industries as of 2010. Total growth in the number of service industries was 1.4% over the past five years, while total growth in the goods industries was higher at 5.1% over the same period.

The largest industry in the region, comprising 14.3% of business establishments with employees, was Professional, Scientific and Technical Services in 2010. By comparison, 15.3% of establishments with employees at the provincial level are involved in Professional, Scientific and Technical Services. The number of companies in the Capital Region's largest industry fell by 3.0% over the past five years, compared to a 2.2% decline in the same industry at the provincial level. The same industry also has the largest small business share: 98.4% of all businesses in this sector have fewer than 50 employees.

Over the past five years, the Health Care and Social Assistance industry experienced the highest growth in the number of businesses, up 17.9% between 2005 and 2010. Other industries with strong growth over the past five years include Mining and Oil and Gas

Extraction (up 16.1%) and Utilities and Construction (up 9.7%), which is dominated by the construction sector. The Agriculture and Forestry sector saw a 16.5% decline in the number of establishments over the same period as a result of farm consolidation. The Capital Region accounted for 38% of the number of establishments in Alberta's Health Care and Social Assistance industry and also in the Manufacturing industry, and had a 42% share for the Public Administration sector.

Numbers of Establishments by Industry
Capital Region

	All Companies (1+ Employees)				Small Companies (1-49 Employees)			
	2005	2009	2010	5-Year % Change	2005	2009	2010	5-Year % Change
Total, All Industries	**41,744**	**42,771**	**42,640**	**2.1%**	**39,146**	**40,535**	**40,453**	**3.3%**
Total, Goods Industries	**8,682**	**9,164**	**9,121**	**5.1%**	**7,960**	**8,531**	**8,512**	**6.9%**
Agriculture & Forestry	638	539	533	-16.5%	628	531	524	-16.6%
Mining, Oil & Gas Extraction	547	658	635	16.1%	491	600	583	18.7%
Utilities & Construction	5,496	5,990	6,027	9.7%	5,174	5,699	5,741	11.0%
Manufacturing	2,001	1,977	1,926	-3.7%	1,667	1,701	1,664	-0.2%
Total, Service Industries	**33,062**	**33,607**	**33,519**	**1.4%**	**31,186**	**32,004**	**31,941**	**2.4%**
Wholesale Trade	2,398	2,389	2,355	-1.8%	2,228	2,255	2,219	-0.4%
Retail Trade	4,492	4,527	4,490	0.0%	4,186	4,224	4,202	0.4%
Transportation & Warehousing	2,013	2,180	2,106	4.6%	1,913	2,098	2,024	5.8%
Information, Culture, Recreation & Arts	857	812	796	-7.1%	771	731	722	-6.4%
Finance, Insurance, Real Estate & Leasing	3,452	3,101	3,118	-9.7%	3220	2,992	3,005	-6.7%
Professional, Scientific & Technical Services	6,268	6,180	6,082	-3.0%	6,091	6,081	5,983	-1.8%
Administrative & Waste Management Services & Management of Companies	2,694	2,798	2,786	3.4%	2,499	2,617	2,605	4.2%
Educational Services	473	486	488	3.2%	444	453	453	2.0%
Health Care & Social Assistance	3,595	4,014	4,238	17.9%	3,444	3,890	4,104	19.2%
Accommodation & Food Services	2,468	2,607	2,616	6.0%	2,233	2,334	2,354	5.4%
Other Services, excluding Private Household Services*	3,998	4,174	4,140	3.6%	3,913	4,105	4,069	4.0%
Public Administration	354	339	304	-14.1%	244	224	201	-17.6%

Source: Canadian Business Patterns, Statistics Canada

* A new subsector, Private Households (hiring cooks, nannies, etc.) was created in 2006, thereby inflating the 2006 to 2010 estimates for the sector and the region as compared to previous years. Hence, to make the data comparable, the values shown for the "Other Services Excluding Private Household" industry has been adjusted and does not include the Private Households sector data.

Inventory of Major Projects

As of March 31, 2011, there were 166 projects, which were proposed, planned, under construction or recently completed in the Capital region. Projects are spread over a number of economic sectors, with more than half of the total projects (92 of 166) being in the infrastructure and institutional sectors.

The total value for the projects in the Capital region was $18.9 billion, as of March 31, 2011. Infrastructure (including the northwest section of the Anthony Henday ring round around Edmonton) accounts for 30% of that figure. About 21% of the region's total project value is attributable to the Canadian Natural Resources Ltd. / North West Upgrading oil sands upgrader phase 1, planned to start construction in 2012.

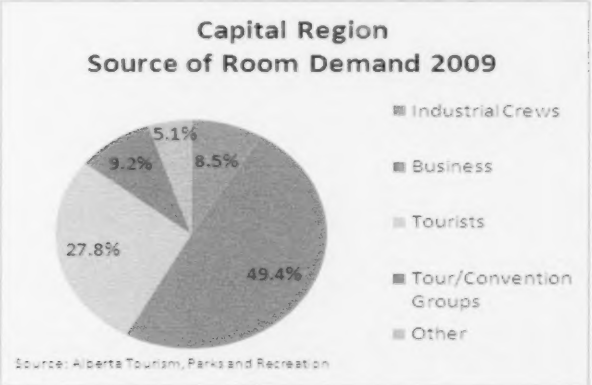
The Capital region includes 10% of the total value of major construction projects in Alberta. As of the end of March, there were 10 projects totaling $678 million that were on hold.

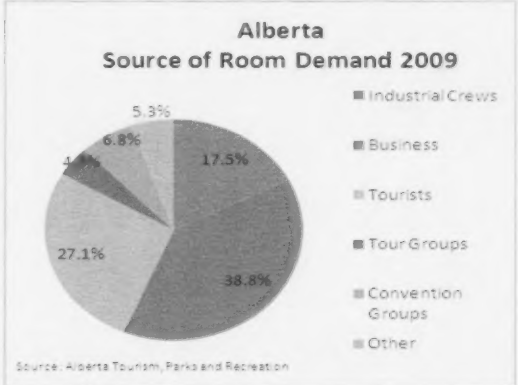
Economic Indicators: Capital Region				
Major Construction Projects, as of March 31				
	Number of Projects		**Value ($millions)**	
Industry Sector	**2011**	**2010**	**2011**	**2010**
Agriculture and Related	2	2	$125.0	$105.0
Biofuels	2	3	$108.0	$117.0
Chemicals & Petrochemicals	1	1	$35.0	$35.0
Commercial/Retail	13	11	$1,496.4	$1,487.3
Commercial/Retail and Residential	0	3	$0.0	$1,515.0
Infrastructure	57	70	$5,630.8	$5,945.7
Institutional	35	44	$2,117.3	$3,219.9
Manufacturing	2	2	$39.2	$39.2
Oil & Gas	0	2	$0.0	$318.0
Oil Sands	3	4	$5,160.0	$39,600.0
Other Industrial	2	3	$1,417.0	$36.2
Pipelines	2	2	$76.0	$72.0
Power	2	4	$527.0	$2,412.0
Residential	17	21	$1,318.0	$2,242.6
Tourism/Recreation	28	29	$835.5	$1,037.3
Total	**166**	**201**	**$18,885.2**	**$58,182.2**
% of Provincial Total	**19.8%**	**21.8%**	**10.2%**	**25.3%**
Source: Alberta Finance and Enterprise, Inventory of Major Alberta Projects				

Note: 2010 and 2011 cannot be compared because some projects are carried over several years and there is only one cost available for the entire project.

Accommodation & Hospitality

In 2009 the Capital Region had 119 accommodation properties with a total of 14,028 rooms, making up 22.1% of available rooms in Alberta. The greatest demand for rooms came from business travelers (49.4%) followed by tourists (27.8%). The average occupancy rate in the region was 64.6%, compared to the provincial average of 58.6%. The average room rate was $119.97, which was 6.9% higher than the provincial average of $112.19.





Economic Indicators: Capital Region		
Accommodation Statistics	**2008**	**2009**
Capital		
Number of Properties	117	119
Supply of Rooms	13,813	14,028
Share of Alberta Rooms	22.3%	22.1%
Average Number of Rooms/Property	118.1	117.9
Occupancy Rate	74.8%	64.6%
Average Room Rate	$112.56	$119.97
Alberta		
Average Number of Rooms/Property	82.5	82.0
Occupancy Rate	68.2%	58.6%
Average Room Rate	$113.54	$112.19
Source: Alberta Tourism, Parks and Recreation		

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ISSN: 1718.2905 (pdf)

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- Alberta Oil Sands Industry Quarterly Update
- Facts on Alberta
- Highlights of the Alberta Economy
- Inventory of Major Alberta Projects
- Monthly Economic Review
- Alberta Natural Gas Industry Quarterly Update

Printed in Canada